

AGN. NO.

MOTION BY SUPERVISORS KUEHL
AND RIDLEY-THOMAS

May 12, 2015

The State of California, and Los Angeles County in particular, are experiencing an affordable housing crisis. According to the California Housing Partnership Corporation, Los Angeles County has the greatest shortfall in the state of homes affordable to low-income families. Los Angeles County needs at least 490,000 more homes affordable to families who are very low income or below. There are close to 1,000,000 working households in Los Angeles earning less than 50% of the area median income. These working families are forced to choose between paying rent or buying food, transportation, medical care, or paying for other basic necessities.

In the last 15 years in Los Angeles the median household rent increased by 25% while median household income, adjusted for inflation, decreased by 9%. This trajectory is unsustainable. The state and the County must act now to increase the production of affordable housing.

AB 1335 (Atkins), as amended on April 30, 2015, would enact the Building Homes and Jobs Act, and establish a permanent source of funding for affordable

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housing by placing a \$75 fee on real estate transaction documents, excluding home sales. Revenues from the fee, after deduction of any actual and necessary administrative costs incurred by the county recorder, would be deposited in the Building Homes and Jobs Fund for expenditures that support affordable housing, home ownership opportunities, and other housing-related programs. Twenty percent of the revenues would be allocated for affordable, owner-occupied, workforce housing. The bill outlines an investment strategy including a geographically balanced distribution of funds and consideration of allocating funds directly to local governments. The bill would also create an advisory board, led by the Department of Housing and Community Development (and including the California Tax Credit Allocation Committee, and the California Debt Limit Allocation Committee), tasked with developing a five-year investment plan for the revenues.

AB 1335 is an urgency statute which requires a two-thirds vote of the Legislature to pass. If signed by the Governor, this measure would take effect immediately.

I, THEREFORE MOVE that the Board of Supervisors instruct the Interim Chief Executive Officer and the Sacramento advocates to support AB 1335 (Atkins), to insure that all Californians have access to affordable housing.